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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

Executive Registry

81-198472

SEP 30 1981

The Honorable William J. Casey
Director
Central Intelligence Agency
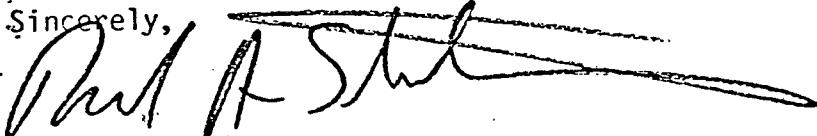Washington, D.C. 20505

Dear Bill:

As you know, one of the President's major goals has been to reduce government employment, resulting in significantly lower 1981 and 1982 personnel ceilings in most agencies. CIA was one of the few agencies where modest increases appeared warranted and were approved. These ceilings represent the upper limits against which employment is to be planned. As you know, the President must rely on agency self-discipline to achieve these goals. (S)

In this light, your letter of August 10 on CIA's personnel status troubles me deeply. At this late date CIA's current over-ceiling status can be corrected only by a reduction-in-force. This is clearly unacceptable and I can only conclude that CIA will exceed its authorized 1981 ceilings. In line with the self-discipline required by employment control practices, however, I ask that you take whatever actions possible, short of a reduction-in-force, to minimize the projected 1981 over-ceiling status. (S)

I am also concerned that current personnel management practices within the agency may jeopardize attainment of the 1982 FTE ceilings the President has approved. It would appear that deficiencies exist in the Agency's personnel planning and reporting systems and that corrective action is required if future embarrassment is to be avoided. To guard against such an eventuality, I am asking that CIA regularly provide to OMB reports similar to those provided by other agencies to OPM on its current personnel status and the actions CIA is taking to manage personnel within the President's ceiling. (S)

I appreciate your cooperation and know that you will give these matters the prompt attention they deserve. (U)

Sincerely,

David A. Stockman
Director

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Not referred to OMB.
Waiver applies.

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